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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

AMENDMENT No. 1 TO CODE OF FAIR COMPETITION FOR GRAIN EXCHANGES AND MEMBERS THEREOF (CODE No. 11)

1. Order Approving the Approved Code of Fair Competition for the Grain Exchanges and Members Thereof as the Code of Fair Competition for the Terminal Grain Elevator Division of Said Industry
 2. Schedule "A"—Proposed Consolidation of the Terminal Grain Elevator Division of the Grain Exchanges Industry with the Code of Fair Competition for Grain Exchanges and Members Thereof
 3. Letter of Transmittal (Secretary of Agriculture)
 4. Letter of Transmittal (National Industrial Recovery Board)
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ORDER

Approving the Approved Code of Fair Competition for the Grain Exchanges and Members Thereof as the Code of Fair Competition for the Terminal Grain Elevator Division of Said Industry

An application having been made by the Terminal Grain Elevator Division of the Grain Exchanges Industry for codification by consolidation under the approved Code of Fair Competition for said Industry as defined in the annexed report on said Code, containing findings with respect thereto; and it appearing to us that said application is in full compliance with Title I of the National Industrial Recovery Act and that said annexed report has been made and directed to the President:

Now, therefore, on behalf of the President of the United States, we, HENRY A. WALLACE, Secretary of Agriculture, and the National Industrial Recovery Board, pursuant to authority vested in us by Executive Orders of the President, including Executive Order No. 6764, dated June 29, 1934, and otherwise, do hereby:

(a) Incorporate by reference said annexed Schedule "A" and the report to the President,

(b) Find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act,

(c) Order that said Division be and it hereby is consolidated with said Industry, and

(d) Order that said Code be and it hereby is approved as the Code of Fair Competition for the Terminal Grain Elevator Division of the Grain Exchanges Industry, as said Division is defined in said annexed report,

(1)

Provided, however, That the provisions of Article VI, Section 1 (f) and Section 2 (b) 5, of said Code be and they are hereby stayed as to said Subdivision, pending our further order.

This order shall become effective 21 days from the date hereof unless prior to that time good cause to the contrary is shown to us and we, by further order, otherwise direct.

H a w a l l a c e

Secretary of Agriculture.

NATIONAL INDUSTRIAL RECOVERY BOARD,

L. A. Hariman

Administrative Officer.

DECEMBER 3, 1934.

SCHEDULE "A"—PROPOSED CONSOLIDATION OF THE TERMINAL GRAIN ELEVATOR DIVISION OF THE GRAIN EXCHANGES INDUSTRY WITH THE CODE OF FAIR COM- PETITION FOR GRAIN EXCHANGES AND MEMBERS THEREOF

The Code of Fair Competition for the Grain Exchanges and Members Thereof shall be modified as follows:

By adding the following as paragraphs (b) and (c) of Section 1 of Article II:

"(b) The term 'terminal grain elevator' as used herein means:

"(1) A grain elevator, wherever located, which receives grain principally in carload lots or by boat and which provides facilities for the storage, transfer (including transfer to and from land and water transportation facilities), handling and/or conditioning of grain for subsequent distribution for domestic or export consumption, excluding, however, country grain elevators, and those grain elevators, wherever located, which are employed exclusively as a part of the plant facilities of manufacturers of grain products.

"(2) A grain elevator located at a terminal market in which a grain exchange, licensed by the Secretary of Agriculture as a contract market under the provisions of the Grain Futures Act is located, when the grain stored in such elevator is, under the rules of such exchange, deliverable upon futures contracts executed on such exchange.

"(c) The term 'country grain elevator' means a grain elevator, wherever located, which receives grain, principally from growers and principally in less than carload lots, for resale and/or shipment, and/or the storage of such grain for a consideration, and does not include the assembling of grain by elevators and/or warehouses at terminal markets principally in carload lots."

Section 3 of Article II shall be amended to read as follows:

"The term 'employee', as used herein, means any person employed by a grain exchange or by any member of any grain exchange, or by any terminal elevator, excepting any employees engaged in the management, care or operation of any country elevator, mill, processing plant or office building."

Section 5 of Article II shall be amended to read as follows:

"The term 'employer', as used herein means any grain exchange or any member of any grain exchange or any operator of a terminal elevator."

AGRICULTURAL ADJUSTMENT ADMINISTRATION

LETTER OF TRANSMITTAL

DECEMBER 3, 1934.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: This is a report on the application of the Terminal Grain Elevator Industry for consolidation of their proposed Code with the approved Code of Fair Competition for Grain Exchanges and Members thereof.

The application for consolidation was made pursuant to the procedure provided in Administrative Order X, 61, issued by the Administrator for Industrial Recovery on July 10, 1934. The original Code, proposed by the Terminal Grain Elevator Industry, contained only labor provisions, and the effect of the consolidation order is merely to apply to the Terminal Grain Elevator Industry the Labor provisions contained in the Code of Fair Competition for the Grain Exchanges and Members Thereof.

Since the order of consolidation is thus limited entirely to labor provisions, we have not made any independent findings, but have accepted those of the National Industrial Recovery Board, and, at its request, have signed the order of approval, pursuant to the authority vested jointly in the Board and in the Secretary of Agriculture, under Executive Order No. 6764.

Sincerely yours,

H Wallace

Secretary.

NATIONAL INDUSTRIAL RECOVERY BOARD

LETTER OF TRANSMITTAL

The PRESIDENT,
The White House.

SIR: This is a report on the application of the Terminal Grain Elevator Industry for consolidation of their proposed Code with the approved Code of Fair Competition for Grain Exchanges and Members Thereof.

GENERAL STATEMENT

The business of a terminal grain elevator is best described by the definition for such elevator as set forth in the attached order of approval and Schedule "A", as follows:

"(b) The term "terminal grain elevator" means:

"(1) A grain elevator, wherever located, which receives grain principally in carload lots or by boat and which provides facilities for the storage, transfer (including transfer to and from land and water transportation facilities), handling and/or conditioning of grain for subsequent distribution for domestic or export consumption, excluding, however, country grain elevators, and those grain elevators, wherever located, which are employed exclusively as a part of the plant facilities of manufacturers of grain products.

"(2) A grain elevator located at a terminal market in which a grain exchange, licensed by the Secretary of Agriculture as a contract market under the provisions of the Grain Futures Act is located, when the grain stored in such elevator is, under the rules of such exchange, deliverable upon futures contracts executed on such exchange.

"(c) The term 'country grain elevator' means a grain elevator, wherever located, which receives grain, principally from growers and principally in less than carload lots, for resale and/or shipment, and/or the storage of such grain for a consideration, and does not include the assembling of grain by elevators and/or warehouses at terminal markets principally in carload lots."

The Terminal Elevator Grain Merchants Association, sponsoring the proposed consolidation, represent approximately three hundred million bushels of terminal elevator capacity for the storage and handling of grain. The members of this Association represent 80% of the industry by volume and an estimated 50% by number.

There are approximately 5000 employees in the Terminal Elevator Industry.

FINDINGS

The Deputy Administrator in his final report to the National Industrial Recovery Board on said Code having found as herein set forth and on the basis of all the proceedings in this matter:

The Board finds that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practice, by promoting the fullest possible utilization of the present production capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Industry normally employs not more than 50,000 employees; and is not classified by the National Industrial Recovery Board as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant group is an industrial group truly representative of the aforesaid Industry; and that said group imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

(g) The Code of Fair Competition for Grain Exchanges and Members Thereof is the correct kindred industry for the Terminal Elevator Industry to consolidate with.

For these reasons, this consolidation of the Terminal Grain Elevator Industry under the Code of Fair Competition for Grain Exchanges and Members Thereof has been approved by the National Recovery Administration.

Respectfully,

NATIONAL INDUSTRIAL RECOVERY BOARD,

L. A. Harman

Administrative Officer.

DECEMBER 3, 1934.

